

How Your Post-Deductible HRA Plan Works

For employees with rollover funds from PBA and the HDHP with HSA plan

What is this?

- These are **rollover funds from your old PBA plan**.
 - This is to help you use up your remaining HRA balance in a spend down capacity.
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What can you use it for?

Expense Type	When you can use HRA funds
Dental, vision, preventive	Available Immediately
Medical expenses	Only after you've paid the IRS deductible (not plan deductible) then submit a Deductible Verification Form.

How does your benefits debit card work?

If you swipe your card for...	Funds will pull from...
Dental, vision, preventive	Limited FSA (if you have one) → HRA → HSA
Medical expenses	Always pulls from your HSA , even after you meet deductible. To use HRA funds, you must file a claim online or via WEX app.

Important notes

- Track your IRS deductible: The City and WEX do not track when you reach it
- Any medical expenses paid with the Debit Card will ALWAYS pull from the HSA
- To use HRA for medical expenses after meeting deductible, file claims online or via the app. Swiping your card will pull from your HSA.

- Once rollover funds are used up, you will continue using your HSA (and Limited FSA if you have one).

FAQ about Your Post-Deductible HRA, Limited FSA & HSA Plan

Why do we have this new setup with an HRA, Limited FSA and HSA?

Because our health plan is a **high-deductible health plan (HDHP) paired with an HSA**, IRS rules require special coordination with other accounts.

- The **HSA** gives you powerful tax savings — contributions are tax-free, they grow tax-free, and you can withdraw money tax-free for qualified expenses.
 - To protect these tax benefits, any extra accounts (like the HRA or leftover FSA money) must be designed in a specific way.
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What happened to my old PBA funds?

- **HRA:** If you had leftover money in your PBA HRA, it's been rolled over into this new Post-Deductible HRA.
 - **FSA:** If you had leftover FSA money, it's been rolled over into a **Limited Purpose FSA (Limited FSA)**.
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What's a Limited FSA?

A Limited FSA is like a regular FSA, but because of IRS rules, it can **only pay for dental and vision expenses**.

This allows you to still make contributions to your HSA and keep all the tax advantages.

How does my benefits debit card work now?

If you swipe your card for... Funds come from...

Dental, vision, preventive expenses

Limited FSA → HRA → HSA (in that order)

If you swipe your card for... Funds come from...

Medical expenses

Always from your HSA. To use HRA for medical, you must file a claim online or via the app.

When can I use my HRA for medical expenses?

Only **after you've met the IRS minimum deductible**

Then you'll submit a **Deductible Verification Form**. After that, you can submit medical claims online or via the app to be reimbursed from your HRA.

If you swipe your card for a medical expense, it will **still come from your HSA**, even after meeting the deductible.

Can I submit reimbursement for any 2025 out of pocket medical, dental, or vision expenses from the HRA and/or Limited FSA?

Yes.

- When submitting a claim online, participants will have to enter a service date of 7/1/2025 or later to be reimbursed, even if the claim was prior to 7/1/2025. If they do not, the platform will provide a message to the employee stating that the service date must be 7/1/2025 or later.
 - For example, if Jane has a receipt from February 8, 2025, Jane must enter "07/01/2025" as the service date, for the claim to be entered into our system and provide appropriate documentation of payment and service(s).
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Will the City or I add more money to these accounts?

No.

- These are **rollover funds from your old PBA** — there are **no new contributions by the City or by you**.
 - Once these balances are used up, you'll continue using your HSA (and Limited FSA, if applicable) for your eligible expenses.
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Why does it have to work this way?

This is required by IRS rules.

- To keep your HSA tax-advantaged, any extra accounts must be limited (like the Limited FSA) or designed to pay only after meeting the IRS deductible (like the Post-Deductible HRA).
 - This protects your ability to save on taxes both now and in the future.
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Who keeps track of my deductible?

You do!

- The plan administrator doesn't track when you've reached the IRS minimum deductible.
 - Keep your receipts and watch your spending so you'll know when it's time to submit your Deductible Verification Form.
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What happens if I leave employment?

You'll have **30 days after your termination date to submit claims** for expenses incurred before your last day.

After that, any leftover balances in your HRA or Limited FSA will be forfeited (this is unchanged from PBA HRA plan structure).

What happens if I retire from the City?

If you are under 65 and remain on the City's plan, you will retain the HRA plan affiliated to the medical plan (i.e. Post deductible HRA for HDHP, or standard HRA for PPO/HMO).

If you are over 65 or do not remain on the City's plan, you will retain the HRA funds, and the account will be converted to a Retiree HRA plan.

Have more questions?

We're here to help!

Please contact HR if you'd like us to walk through your specific situation.